

Thank you, Amy, for your gracious introduction. Your vision, entrepreneurship and selfless community spirit truly reflects what the city and its businesses are all about. I want to begin tonight by acknowledging and thanking many area elected officials in the audience. I have the honor of serving with engaged leaders on the Beaverton City Council as well.

Please join me in recognizing Council President Mark Fagin, and Councilors Cate Arnold, Betty Bode, Marc San Soucie, and, of course, I'd like to welcome our newest City Councilor, and first Gen-Y council person in Beaverton...as she likes to remind all of us with grey hair..... Lacey Beaty. These dedicated women and men are tireless advocates for Beaverton.

As I stand here and look across the room, I see so many familiar faces... So many friends So many people who are committed to making a difference in our community. Thank you for being here and for your support for our city.

In preparing for tonight, I reflected on how honored I feel to have the opportunity to serve as Beaverton's Mayor. You know, back a million years ago, when I was coaching my daughter's sports, and getting active in our park district and in the girl's schools, I never imagined today.

I found myself, just like many of you, on a path of getting more involved in the community around me. Volunteering in different ways, making friends, building relationships, and over time understanding how interconnected our city is, and how much we can achieve by working together.

Today, I think I am the luckiest guy in the world—got a bit of the luck of the Irish—I guess. I am blessed with a loving and supportive wife. And, I get to wake up every day, knowing that I get to serve a city that I love. And I look forward to many more years of serving Beaverton.

Anyone who knows me, knows I love promoting Beaverton. I'll talk your ear off if you let me about how wonderful the city is, I'll tell you why you want to locate your business here and raise your family.

As Mayor, I have the privilege of telling Beaverton's story to people in D.C., and across the country, as we work to deliver critical grant dollars to help bolster our city. And boy have we delivered, since 2009, with more than \$24 million in grants that enhance our precious resources. We've also been able to promote Beaverton to neighboring landowners, helping entice more than 650 acres in voluntary annexation into Beaverton, let me say that again...voluntary, valuing nearly \$48 million in the past six years added to our tax rolls.

People choose to join the city because of the amazing services that Beaverton offers. If I were going to summarize a theme for the State of Our City it would beThe future is looking better than ever for Beaverton.

Our economy is stronger, jobs are growing, development is picking up, the private sector is expanding, and we are making sure the city is doing its part to support the process. When I stood here before you last year, I reported that the unemployment rate was lowering to 5.9 percent. Today, we have together as leaders, driven that number even lower to 5.3 percent. We can all recall the not so distant dark days of the Great Recession in 2009, where unemployment numbers were double today's figures.

In 2014, we had a huge win with Nike's continued investment in Beaverton and Washington County. Recently, Nike submitted plans to construct over 1 million new square feet of office space at the World Headquarters Campus. All to support their \$150 million expansion. Nike is Beaverton's largest private-sector employer and has already added more than 2,000 jobs... far exceeding their earlier projections. This regional win came about because we all pulled together and for that I am forever grateful.

A special thank you to our partners at the Governor's Office, the State of Oregon, Washington County, Tualatin Hills Park & Recreation District, PGE, Clean Water Services, and the countless others who have come together to welcome such a massive investment during the past two years. So please, won't you join me in a public round of applause thanking this community-wide effort.

Development is back on track in Beaverton. 2014, saw the adoption of the Community Plan for South Cooper Mountain. This newest part of the city will one day be home to nearly 9,000 residents. The city is working with local neighborhood leaders to tackle issues and deliver thoughtful transportation and infrastructure solutions. I am so excited about the future of South Cooper Mountain. We are creating Beaverton's next livable community.

This summer you will begin to see physical developments. In 2016, you will see the first homes, and in the summer of 2017. We'll see Beaverton's newest and much needed high school open its doors. We're also seeing new housing starts in Beaverton's old town area south of Farmington.

In 2014, Beaverton joined with Community Partners for Affordable Housing (C-PAH) and Roy Kim Development to create a combination \$19.1 Million workforce and affordable housing project at First & Lombard. And just down the street, Rembold Properties is also moving forward with a \$21.5 Million mixed-use development which will include market rate housing at First and Angel.

And a special thank you to our friends at Metro, whose Transit Oriented Development program, awarded a combined \$650,000 to these two projects in 2014. We expect these projects to kick start even more old-town development! There will be more to come.

2014 saw the adoption of our community-driven Creekside District Master Plan that will strive to connect the jobs-rich areas of Washington County and Portland... right here in the heart of Beaverton's downtown. You also might have noticed that we had a bit of a change of address this year! We moved City Hall into The Beaverton Building in the heart of the Creekside District. Buying The Beaverton Building cost the city \$8.65 million. In 2014, we completed renovations and moved into the building on-time and within our budget.

One major point we must never lose sight of, is the city was already leasing space in that building and had an obligation to pay more than \$13 million over the remaining life of the lease. I've always said this was some very simple math to understand. We eliminated a costly lease obligation... now we own the building outright and we solved our City Hall space needs for the next 30+ years. This was money well spent in my book. And did I mention we actually bring revenue in from the building today!

Imagine that we turned a costly lease obligation and created a revenue generator for the city. We lease the second and third floors to private tenants. And since the city has taken possession, we've gone from 40 percent occupied to fully-leased. Let me say that again 40 percent to 100 percent. That rental income is helping pay for the cost of operating the building. Today, the building is producing roughly \$900,000 dollars per year in tenant revenue. We used our reserves to buy The Beaverton Building, but now we're replenishing those reserves—and anticipating future opportunities.

I'd like to thank Congresswoman Bonamici and her staff as well as the Washington County Visitors Association and the Executive Suite tenants for choosing The Beaverton Building to call home.

2015, brings more opportunity to the Creekside District. As we continue to take steps to establish an "18 hour" district of activity for the area. The city will soon be issuing a Request for Qualified developers and we look forward to reviewing the responses for the entire area. There are many exciting possibilities, including an Arts and Culture Center, a hotel, a health collaborative, Class A office space, or some combination of these possibilities. Or who knows what that qualified, visionary developer may come up with.

Another important project moving forward is the \$22 Million Timberland Senior Living facility located off Barnes Road. This nearly 165,000-square-foot facility will be located on approximately three acres near Gramor's new \$30 Million Timberland Town Center.

VillaSport was another win for 2014. This 130,000-square-foot resort-like campus is first rate—and employs an impressive 278 staff members. In order to support this growth your City Council approved my request to fund new positions to keep pace. Our inspectors have averaged an impressive 175 inspections a day having to stretch beyond capacity to meet the demand. As a result, we are adding positions in building and planning areas to meet our growing needs. Our permitting staff is incredibly busy. And it's not just new private developments.

Water projects continue to be an important part of our future. Right now our staff is working to facilitate a new pump station in collaboration with Tualatin Valley Water District and Tualatin Hills Park & Recreation District. Currently, our engineers are planning for a new multi-million-gallon aquifer at the Reserve at Cooper Mountain. This new location will help us provide clean drinking water to our growing city.

We're also working with Tualatin Valley Water District, the City of Hillsboro, Clean Water Services and other collaborators on the Willamette River Water project. This critical effort will ensure our reliable drinking water for the next 100 years.

The future is looking brighter for our well-loved Beaverton libraries. Our main library is the number one circulating facility in the state. Each year, our two libraries welcome nearly one-million visitors. 2015 will see the grand Re-Opening of our Branch Library at Murray/Scholls. We are adding 4,700 square feet, which will expand the facility by 67 percent. This expansion will give us a dedicated space for children's learning. We'll have additional story times, family events, more computers for kids and space for teens.

This year I look forward to working with our Washington County Cooperative Library Services (WCCLS) partners in preparation for the 2015 operating levy renewal. Passage of this levy is essential to maintain our excellent library services. Beaverton will do its part to work with our partners to make sure it happens.

Another reason our future is so bright is because the residents we serve have such high confidence and trust in the direction we are heading. In 2014 we took time for our annual "physical." No, not the actual doctor visit, but the community leadership kind where you hire a polling company to randomly call people, and ask them point blank: how is Beaverton doing? Yes, both can be painful! This time we got great news from the Doc (in this case DHM Research). They reported that an astounding 75 percent said Beaverton is headed in the right direction. According to DHM, this is

the highest such rating they've measured in the past two years for any city or county.

Beaverton remains a very safe city. In fact, last year we were again recognized as one of the safest cities in the Pacific Northwest. Our community survey revealed that 94 percent of our residents are satisfied with police services. Our Municipal Court was honored in 2014 with the League of Oregon Cities Award for Excellence.

The court's innovative "BSOBR" program was recognized for its hands-on ability to change the lives and behaviors of chronic drunk drivers. Our School Resource Officer Program received an award from the Oregon Peace Officers Association. Our Community Emergency Response Team—which trains people to serve in times of crisis—achieved a big milestone by training their one-thousandth volunteer.

In Beaverton we understand that it is our direct connection with the people we serve that is the key ingredient to our success.

Our future is bright because the people we serve are so actively involved to plan the city's future. Beaverton's award-winning community vision program outdid itself in 2014 as the volunteers on the Visioning Advisory Committee smashed their own record by connecting with more than 5,700 people to gather community input. In 2015, this group will deliver their five-year update to our community vision plan ensuring that we reflect current needs.

Of course, you can't talk about the future without thinking about our kids. We all know Beaverton schools are great But it is the way our community rallies to support youth that makes us strong. I want to give some special recognition to our Beaverton Area Chamber of Commerce.

You might have heard they started a new program called YEA or Young Entrepreneurs Academy. They are teaching middle and high school students how to start and run real businesses. Our chamber is the first and so far only chamber in Oregon offering this program. These kids are our future business leaders so please join me in a round of applause for this great program!

In 2014, Beaverton made huge strides in supporting equity and inclusion. Just last night the City Council adopted Beaverton's first Diversity, Equity and Inclusion plan delivered by our one-year old Diversity Advisory Board. As you know, supporting Beaverton's diversity has been a personal passion of mine and I am so impressed with the leadership of this board and can't wait to see what they accomplish in the years to come.

And I have to tell you the region is noticing that Beaverton is making great strides in supporting inclusion.

- We continued our partnership with the Center for Intercultural Organizing and graduated 22 immigrant and refugee Beaverton community leaders from an intense leadership development program called BOLD.

- One-third of our BOLD graduates are now serving on a city board or commission.
- We continued our partnership with Portland Community College to support 100 first-generation immigrant and low-income Beaverton students to attend college!
- And 96 percent of our students have stayed in school. Without this vital program, kids with similar backgrounds average a 19 percent return rate.

Think about the difference our city is making in the lives of these kids—and their families—by making their dream of access to college a reality!

- Later this month, we have two more initiatives moving forward...
 - During a City Council Round Table, we'll look at policies that support minority- and women-owned emerging small businesses right here in Beaverton.
 - We are also partnering with the State of Oregon to host an all-day seminar to connect Beaverton's small business community with public contracting opportunities.

I am really proud of the accomplishments of this program this past year and can't wait to see what 2015 brings.

As we reflect on the strength of volunteers who serve our city, we are reminded of some very special people we lost in 2014. We endured the untimely loss of wonderful friends with the passing of former City Councilor Cathy Stanton and community leaders: Karen Schouten and Marv Doty. These three individuals were tireless advocates for Beaverton and we honor their strong service to our community. We have their family members in the audience tonight. Please join me in a moment of silence as we recognize these three ambassadors for Beaverton.

You know Cathy, Karen, and Marv shared more than a legacy of community service. All three of them were at one point very active members of their local Neighborhood Association Committee. Cathy represented Greenway NAC, Karen was a West Beaverton NAC Chair, and Marv was a Highland NAC Chair.

Beaverton's 11 Neighborhood Association Committees provide countless small grants to support neighborhood projects. Our NACs are not just a "monthly meeting." These volunteers pool their talents and resources to put on community building events attended by more than 6,500 people. Projects like books drives for local schools, community clean-ups, neighborhood art installations, community theatre, and more.

It's Beaverton's investment in our neighborhoods that strengthens the ties that bring us all together. This is how we build community. This is why people love to live here. In our recent community survey, 95 percent of our residents said they would recommend their neighborhood to someone looking to move. But just in case you need more, we have a short video that showcases the neighborhood spirit that is Beaverton.

What a great video. As you can clearly see, Beaverton is about neighborhoods; they really are our heartbeat.

Good things are happening all over Beaverton and I'll say it again... our Future is looking bright! Today, we're preserving our financial integrity. Our award-winning finance department continually receives honors for its budgeting and transparent financial reporting.

Recently, the Government Finance Officers Association announced that the city has again received the Distinguished Budget Presentation Award for our fiscal year 2014-15 budget. This is the 27th consecutive year that we have received this recognition. It's the highest form of recognition in governmental budgeting.

We will continue this strong fiscal oversight. We take our fiscal responsibility to our residents very seriously and we will be conservative with our resources.

As we wind down tonight, I want to touch upon Beaverton's need for a safe and permanent home for public safety professionals. Our voters spoke in last November's election and I respect the decision they made. Ultimately we were not successful making our case to a majority of voters in that election. But the need is real. And the results were very close.

We have a dedicated group in our Public Safety Center Advisory Committee and they are committed to seeing this need met. Everyone who knows me, knows my determination and optimism. I know we will get there eventually. This is a process. So please stay tuned and stay positive.

So, as we close tonight, let me officially report, that the State of the City is strong. As we look forward to 2015, please know I will be focused on three key priorities.

1. Investing in Beaverton's Open for Business reputation. Since I took office in 2009, I have made it a cornerstone of my administration to build strong relationships with our business and development community.

Our message is simple.... We are a good partner, we want to work with you, we want to help you grow and expand your opportunities in Beaverton. And this will always be at the top of my priority list as long as I'm Mayor.

2. Passage of the WCCLS Library Operating Levy, to ensure we are able to continue to provide our community the excellent services that they expect.
3. Investing in Community Partnerships. Just like the teamwork required when I coached in my daughter's sports teams, our community is at its best when we are working toward the same goal.

City Hall can't do it alone and I will continue to ensure that Beaverton is known throughout our region as an organization that is open to partnering to serve our community. These aren't just words to me they are a philosophy, a way of conducting city business. We are here to help!

I truly believe our future is looking brighter than ever!

And helping me keep my future bright is my wife, Ann. I'd like to present these flowers to you and thank you for all that you do for me and for your city.

My deepest thanks to all of our partners who help put on this event, the Beaverton Area Chamber of Commerce, Beaverton's Committee for Community Involvement, the Mayor's Youth Advisory Board, and all our additional sponsors. I have to say, Beaverton is indeed, The Best of Oregon, because of our wonderful community partnerships and how we pull together to make things happen for our community.

Thank you all and goodnight.